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U.S. SECURITIES AND  
EXCHANGE COMMISSION

Issue 84-131

July 6, 1984

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## ADMINISTRATIVE PROCEEDINGS

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### 2(e) PROCEEDING BEGUN AGAINST COOPERS & LYBRAND AND PARTNER

The Commission ordered the commencement of a public administrative proceeding under Rule 2(e) to determine whether Coopers & Lybrand, an accounting firm, and M. Bruce Cohen, a partner of the firm, engaged in unethical or improper professional conduct relating to allegations made by the Office of the Chief Accountant of the Commission.

The Office of the Chief Accountant alleged, in the Order Instituting Proceedings, that Coopers & Lybrand, through Cohen and others, issued an unqualified audit report on the financial statements of Digilog, Inc. for fiscal 1981 and 1982 stating that those financial statements were prepared in accordance with generally accepted accounting principles when in fact they were not in that they failed to record or disclose losses stemming from a company formed and financed by Digilog to market certain of its products. (Rel. 33-6542)

### PROCEEDINGS INSTITUTED AGAINST MOLLOY ON THE MARKET, INC., OTHERS

The Commission instituted public administrative proceedings under Sections 203(e) and 203(f) of the Investment Advisers Act of 1940 against Molloy on the Market, Inc., Kevin Molloy Enterprises, Inc., Kevin M. Molloy (Molloy) and Richard SanRoman. Molloy on the Market, formerly located in Chicago, Illinois, and Kevin Molloy Enterprises of Fort Lauderdale, Florida are registered investment advisers while Molloy and SanRoman have been associated with both of them as officers or directors. The Order for Proceeding alleges that Molloy, Molloy on the Market, and Kevin Molloy Enterprises, from at least September 1981 to the present, and SanRoman, from at least September 1981 to July 1982, violated and aided and abetted violations of various provisions of the Advisers Act including registration, bookkeeping, reporting and antifraud provisions. A hearing will be scheduled to determine whether the allegations against the respondents are true, and if so, to decide what, if any, remedial action would be appropriate. (Rel. IA-916)

### RICHARD SANROMAN CONSENTS TO BAR

The Commission accepted an Offer of Settlement from Richard SanRoman of Chicago, Illinois. SanRoman had been associated with Molloy on the Market, Inc. and Kevin Molloy Enterprises, Inc., two registered investment advisers, and had been named as a respondent in proceedings involving the registered entities and one other associated individual, Kevin M. Molloy.

In accordance with SanRoman's Offer of Settlement, the Commission barred him from association with any investment adviser, investment company, broker, dealer or municipal securities dealer. The Commission also made findings in accordance with SanRoman's Offer of Settlement in which he consented, without admitting or denying the allegations contained in the Order for Proceedings, to findings that he wilfully violated and aided and abetted violations of the registration, bookkeeping, reporting and antifraud provisions of the Investment Advisers Act of 1940 as set out and alleged in the Order for Proceedings. (Rel. IA-917)

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### NOTICE - ACCOUNTANTS

The SEC has vacancies for accountants with CPA's and a minimum of three years public accounting experience to work in Washington. Send resume to Jeanne Marie Patterson, Office of Personnel, 450 Fifth Street, NW, Washington, DC 20549, telephone no. (202) 272-7064.

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## CIVIL PROCEEDINGS

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### ACTION FILED AGAINST DIGILOG AND CEO

The Commission simultaneously filed and settled a civil injunctive action on July 5 in the U.S. District Court for the District of Columbia against Digilog, Inc. of Montgomeryville, Pennsylvania, and Ronald Moyer, its president and chairman. Digilog and Moyer, without admitting or denying the allegations of the complaint, consented to orders permanently enjoining them from violating certain reporting and antifraud provisions of the Securities Exchange Act of 1934. The order against Digilog also requires it to amend certain of its filings for 1981, 1982, and 1983 by restating its consolidated financial statements to reflect the operations of the corporation now known as DBS International, Inc. (SEC v. Digilog, Inc. and Ronald Moyer, USDC DC, Civil Action No. 84-2029 [JHG]). (LR-10448)

### CIVIL INJUNCTIVE ACTION FILED AGAINST GREAT AMERICAN FINANCIAL, INC., OTHERS

The Denver Regional Office filed a complaint on July 2 in the U.S. District Court for the District of Colorado seeking preliminary and permanent injunctions against Great American Financial Inc., a Denver, Colorado corporation, Laszlo B. Szabo of Denver, Colorado, former president of Great American, and Hans V. Andersen, Jr., an Orem, Utah C.P.A.

The complaint alleges violations of the antifraud provisions of the Securities Exchange Act of 1934 by each defendant in false claims by Great American to ownership of substantial valuable assets in financial statements audited by Andersen. It also charges Great American with violations of the registration provision of the Securities Act of 1933 and the filing provisions of the Exchange Act. The complaint also charges Szabo with violations of the registration provisions of the Securities Act as well as violations of the antifraud provisions of the Exchange Act in manipulation of the market price of Great American stock and ordering securities from broker-dealers without intention of paying for such securities on a timely basis.

A hearing has not yet been scheduled on the Commission's motion for a preliminary injunction. (SEC v. Great American Financial, et al., USDC CO, Civil Action No. 84-1353). (LR-10446)

### BRILUND, LTD. ENJOINED

The Commission announced that on June 29 the U.S. District Court for the District of Columbia entered a Final Judgment of Permanent Injunction against Brillund, Ltd. of Atlanta Georgia. The Judgment enjoined Brillund from failing to file periodic reports and Notifications of Late Filing on time.

The May 18 complaint alleged that Brillund, as part of a continuing course of violative conduct extending over several years, failed to file: its Annual Report on Form 10-K for its fiscal year ended December 31, 1981, required to have been filed by March 30, 1984; its Quarterly Report on Form 10-Q for its fiscal quarter ended March 31, 1984, required to have been filed by May 15, 1984; various periodic reports on time; and Notifications of Late Filing on Form 12b-25 respecting the periodic reports which Brillund filed late. Brillund, consenting to the Court's Judgment, admitted that it failed to file annual and quarterly reports on time and failed to file Notifications of Late Filing. (SEC v. Brillund, Ltd., USDC DC, Civil Action No. 84-1575). (LR-10447)

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## CRIMINAL PROCEEDINGS

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### DAVID A. HESTERMAN SENTENCED

The Boston and Denver Regional Offices and the U.S. Attorney for the District of Massachusetts announced that on June 22 Chief Judge Aldon J. Anderson, U.S. District Court for the District of Utah, sentenced David A. Hesterman to three in prison and placed him on five years probation. Hesterman pled guilty to a two-count indictment charging him with defrauding a Boston money market fund, American Liquid Trust.

On March 16 Hesterman, of Salt Lake City, Utah and the president of Westcor Sales Corp., was indicted by a Boston federal grand jury and charged with two counts of securities fraud. The counts charged violations of the antifraud provisions of the Securities Exchange Act of 1934 in a "check kiting" scheme Hesterman carried out in early 1980.

Although indicted in Boston, Hesterman elected to be sentenced in Utah. In passing sentence, Judge Anderson observed that the "sizable loss to the public and to the mutual fund warranted such a severe sentence." (U.S. v. David A. Hesterman, USDC D MA, Criminal Action No. 84-95-C). (LR-10442)

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## HOLDING COMPANY ACT RELEASES

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### GENERAL PUBLIC UTILITIES CORPORATION

A notice has been issued giving interested persons until July 30 to request a hearing on a proposal by General Public Utilities (GPU), a registered holding company, and its subsidiaries, Jersey Central Power & Light Company (JCP&L), Metropolitan Edison Company, and Pennsylvania Electric Company, to enter into an amendment to a revolving credit agreement with a group of banks increasing JCP&L's loan limit to \$125 million and increasing the amount available for all the GPU companies at any one time outstanding to \$150 million. The GPU companies also propose to increase from \$25 to \$60 million the loan limit on unsecured borrowings from certain other banks.  
(Rel. 35-23359 - July 5)

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## SECURITIES ACT REGISTRATIONS

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The following registration statements have been filed with the SEC under the Securities Act of 1933. The reported information appears as follows: Form, Name, address and phone number (if available) of the issuer of the security; Title and the number and/or face amount of the securities being offered; Name of the managing underwriter or depositor (if applicable); File number and date filed; Assigned Branch; and a designation if the statement is a New Issue.

- S-18 GENETIC BREEDING INC/DE, C/O LESTER MORSE, 111 GREAT NECK RD, NEW YORK, NY 11021 (516) 487-1417 (FILE 2-91836-B - JUN. 20) (BR. 4)
- S-18 MIDAS GOLD INC, NORTH 230 DIVISION, SPOKANE, WA 99202 (509) 838-4401 - 5,000,000 (\$1,000,000) COMMON STOCK. (FILE 2-91858-S - JUN. 25) (BR. 11 - NEW ISSUE)
- S-18 BOO CO LTD PARTNERSHIP, 150 SECOND AVE, NEW YORK, NY 10004 (212) 228-8102 - 50 (\$2,500,000) LIMITED PARTNERSHIP CERTIFICATE. (FILE 2-91885-NY - JUN. 26) (BR. 12 - NEW ISSUE)
- S-8 LILY TULIP INC, 209 SEVENTH ST, P O BOX 1808, AUGUST, GA 30903 (404) 823-5459 - 820,000 (\$5,344,000) COMMON STOCK. (FILE 2-91904 - JUN. 27) (BR. 8)
- S-8 CALMAR INC, 333 TURNBULL CANYON RD, CITY OF INDUSTRY, CA 91749 (818) 330-3161 - 150,000 (\$2,496,060) COMMON STOCK. (FILE 2-91913 - JUN. 27) (BR. 5)
- S-3 OHIO EDISON CO, 76 S MAIN ST, AKRON, OH 44308 (216) 384-5100 - 2,000,000 (\$50,000,000) PREFERRED STOCK. (FILE 2-91915 - JUN. 27) (BR. 7)
- S-8 GENERAL REFRACTORIES CO, 225 CITY AVE, BALA CYNWYD, PA 19004 (215) 667-7900 - 750,000 (\$4,875,000) COMMON STOCK. (FILE 2-91918 - JUN. 28) (BR. 10 - NEW ISSUE)
- S-8 LAMORINDA FINANCIAL CORP, 3684 MOUNT DIABLO BLVD, LAFAYETTE, CA 94549 (415) 283-7200 - 50,000 (\$600,000) COMMON STOCK. (FILE 2-91923 - JUN. 27) (BR. 2)
- S-8 STANDARD PRODUCTS CO, 2130 W 110TH ST, CLEVELAND, OH 44102 (216) 281-8300 - 1,157,063 (\$817,494) OTHER SECURITIES INCLUDING VOTING TRUST. 68,125 COMMON STOCK. (FILE 2-91928 - JUN. 28) (BR. 4)
- S-1 DURAKON INDUSTRIES INC, 2101 N LAPEER RD, LAPEER, MI 48446 (313) 664-0850 - 1,150,000 (\$12,075,000) COMMON STOCK. (FILE 2-91930 - JUN. 28) (BR. 12 - NEW ISSUE)
- S-8 VEECO INSTRUMENTS INC, 515 BROAD HOLLOW RD, MELVILLE LONG ISLAND, NY 11747 (516) 694-4200 - 250,000 (\$4,937,500) COMMON STOCK. (FILE 2-91937 - JUN. 28) (BR. 3)

S-1 COMPUTER DEPOT INC, 7464 W 78TH ST, EDINA, MN 55435 (612) 944-8780 - 1,150,000 (\$11,500,000) COMMON STOCK. (FILE 2-91938 - JUN. 28) (BR. 10)

S-8 GILBERT ASSOCIATES INC/NEW, P O BOX 1498, READING, PA 19603 (215) 775-2600 - 60,000 (\$1,402,500) COMMON STOCK. 60,000 COMMON STOCK. 60,000 COMMON STOCK. (FILE 2-91939 - JUN. 28) (BR. 10)

#### REGISTRATIONS EFFECTIVE

June 18: Catalogia, Inc., 2-90453-W.

June 26: Comres Corporation, 2-88222-NY.

June 29: AMB Bankshares, Inc., 2-90407; BLKA Bancorp, 2-90449; DMC Corporate Dividend Fund, Inc., 2-88753; Dynamic American Corporation, 2-86426.

July 2: Connecticut General Realty Investors III Limited, 2-90944; GTE Corporation, 2-91917; Merchants Republic Corp., 2-91227; Prudential-Bache/Almahurst Bloodstock L.P. I, 2-89109; The Seagram Company Ltd., 2-91771; Southtrust Corporation, 2-90416; Viejo Bancorp, 2-91153; Windrift Stables, Inc., 2-90352.

July 3: Alternacare Corporation, 2-90397; American Capital Government Securities, Inc., 2-90482; American Shared Hospital Services, 2-90646.

#### RECENT 8K FILINGS

Form 8-K is used by companies to file current reports on the following events:

- Item 1. Changes in Control of Registrant.
- Item 2. Acquisition or Disposition of Assets.
- Item 3. Bankruptcy or Receivership.
- Item 4. Changes in Registrant's Certifying Accountant.
- Item 5. Other Materially Important Events.
- Item 6. Resignations of Registrant's Directors.
- Item 7. Financial Statements and Exhibits.

The companies listed below have filed 8-K reports for the date indicated and/or amendments to 8-K reports previously filed, responding to the item(s) of the form specified. Copies of the reports may be purchased from the Commission's Public Reference Section (in ordering, please give the date of the report). An invoice will be included with the requested material when mailed.

COMPANY	ITEMS NO.	DATE	
AMERICAN CAMPGROUNDS INC	3,5	06/13/84	
AMSOUTH BANCORPORATION	5	06/21/84	
ASARCO INC	5	06/27/84	
BARRY R G CORP /DE/	5	06/22/84	
BROCKWAY INC /NY/	7	06/14/84	AMEND
CONTINUUM CO INC	2,7	06/11/84	
ENERSERV PRODUCTS INC	5,7	06/10/84	
FARED ROBOT SYSTEMS INC	5,7	05/31/84	
FRANCHISEIT CORP	5,7	06/28/84	
LOVE OIL CO INC	4	06/12/84	
MANUFACTURED HOMES INC	7	01/06/84	AMEND
MESA PETROLEUM CO	2,7	06/13/84	
MIDLAND ROSS CORP/OH/	5,7	06/13/84	
PAN AMERICAN PROPERTIES INC	2	06/26/84	
PENN CENTRAL CORP	2,7	06/13/84	
RMPAC	2	06/26/84	
RESOURCES PENSION SHARES 2	5,7	06/04/84	
STORAGE EQUITIES INC	5,7	06/01/84	
TU INTERNATIONAL INC	5,7	06/26/84	
UNITED STATES SURGICAL CORP	5	06/15/84	